

ONE HUNDRED FOURTEENTH CONGRESS
Congress of the United States
House of Representatives
COMMITTEE ON ENERGY AND COMMERCE
2125 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515-6115
Majority (202) 225-2927
Minority (202) 225-3641

February 27, 2015

Mr. Eric Schneidewind
AARP President Elect
Office A10-160
601 E Street, N.W.
Washington, D.C. 20049

Dear Mr. Schneidewind:

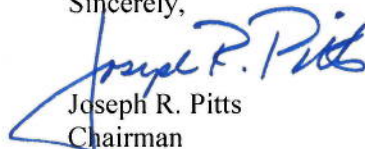
Thank you for appearing before the Subcommittee on Health on Thursday, January 22, 2015, to testify at the hearing entitled "A Permanent Solution to the SGR: The Time is Now."

Pursuant to the Rules of the Committee on Energy and Commerce, the hearing record remains open for ten business days to permit Members to submit additional questions for the record, which are attached. The format of your responses to these questions should be as follows: (1) the name of the Member whose question you are addressing, (2) the complete text of the question you are addressing in bold, and (3) your answer to that question in plain text.

To facilitate the printing of the hearing record, please respond to these questions with a transmittal letter by the close of business on Friday, March 13, 2015. Your responses should be mailed to Adrianna Simonelli, Legislative Clerk, Committee on Energy and Commerce, 2125 Rayburn House Office Building, Washington, D.C. 20515 and e-mailed in Word format to Adrianna.Simonelli@mail.house.gov.

Thank you again for your time and effort preparing and delivering testimony before the Subcommittee.

Sincerely,


Joseph R. Pitts
Chairman
Subcommittee on Health

cc: Gene Green, Ranking Member, Subcommittee on Health

Attachment

Attachment—Additional Questions for the Record

The Honorable Joseph R. Pitts

1. In your testimony, you expressed strong support for the Qualifying Individual (QI) Program. That program pays Part B premiums for beneficiaries with incomes between 120 percent and 135 percent of the Federal Poverty Line – about \$14,000 to \$15,750. Certainly, I think it's fair to say all members of this Committee care about low-income seniors. At the same time, as a practical matter, for programs to be extended, they will have to be paid for. So, in the interest of extending the QI program, what is AARP's position on paying for that extension by charging much wealthier seniors higher premiums?
2. In your testimony, you said that AARP will not consider SGR repeal legislation "complete" unless three beneficiary protections –QI, therapy caps, outreach and enrollment assistance to low-income Medicare beneficiaries-- are included in a final bill. Does that mean that if permanent SGR reform were adopted but it did not include a permanent extension of these three programs, AARP would oppose it?
3. In your testimony, you said that "for over a decade, millions of Medicare beneficiaries have heard annual warnings that their health care provider would stop seeing them if the schedule payment cuts due to the sustainable growth rate occur....Medicare beneficiaries remain fearful of losing access to their doctor." Please explain what you think would be the practical effect for seniors if this subcommittee fails this Congress to permanently fix the SGR?
4. In your testimony you said "it is important to remember that half of all Medicare beneficiaries live on an income of less than \$23,500 per year, and on average already spend 17 percent of their income on health care." I can assure you there's bipartisan interest in protecting the most vulnerable. Toward that end, what is AARP's position on some combination of reforms which would protect the most vulnerable by creating predictable cost-sharing between hospital and physician services, while at the same creating a new maximum out-of-pocket protection to give seniors peace of mind?
5. Last May, the Office of the Actuary at CMS said that Medicare's Hospital Insurance Trust Fund could be insolvent as soon as 2021, or as late as 2030. Under current law, there is no ability for the program to then pay claims on behalf of seniors. At the hearing, you were asked if you acknowledge that, if left unaddressed, Medicare's coming insolvency could present an access problem for seniors on Medicare? Your response was that this scenario "would certainly have an impact on seniors." That response is a rather muted and understated response to what could present cataclysmic disruption for millions of seniors. So the committee can better understand AARP's position, does your organization think the coming insolvency of Medicare and the threat it presents to seniors is a problem requiring Congressional action?

6. The President's FY2015 budget to Congress included a proposal that "would introduce a Part B premium surcharge for new beneficiaries who purchase Medigap policies with particularly low cost-sharing requirements, starting in 2018. Other Medigap plans that meet minimum cost-sharing requirements would be exempt from the requirement. The surcharge would be equivalent to approximately 15 percent of the average Medigap premium (or about 30 percent of the Part B premium)." What is your organization's position on this policy?
7. As you know, for us to be successful in getting SGR reform passed into law, we need willing partners in the Senate – and at the other end of Pennsylvania Avenue at the White House. Please outline in detail what your organization has been doing since January 1, 2015 to support a permanent SGR fix with bipartisan offsets, including actions such as:
 - Publicly endorsing specific, concrete bipartisan offsets
 - Meeting with White House officials on the need to repeal SGR this year and pay for it with bipartisan offsets
 - Meeting with House Democrats on the need to repeal SGR this year and pay for it with bipartisan offsets
 - Meeting with Senate on the need to repeal SGR this year and pay for it with bipartisan offsets
 - Meeting with Senate Democratic leadership on the need to repeal SGR this year and pay for it with bipartisan offsets
 - Designing or implementing public advocacy efforts to inform consumers and seniors of on the need to repeal SGR this year and pay for it with bipartisan offset

The Honorable Eliot Engel

1. I have been hearing from the physician community in New York for years about their growing frustration at the constant threat of significant reimbursement cuts. They frequently mention that the cost of running their practice is increasing each year and they are trying to properly treat patients with increasingly complicated medical conditions. All the while, facing double digit reimbursement cuts. It just isn't right.
 - a. Can you elaborate on why it is urgent for physicians and patient access to care that Congress reform the Medicare reimbursement system now and how another patch would be detrimental to our Medicare program?

The Honorable Doris O. Matsui

1. Your testimony indicated you agree that as Congress seeks to finally fix the SGR rollercoaster once and for all, beneficiaries also deserve the peace of mind of having the QI program similarly fixed in this legislative exercise. Can you please discuss this further?
2. Could you please talk about some of the other beneficiary improvements that AARP has supported?
3. Can you talk about the potential impact on beneficiaries of a combined Part A and B deductible?

4. Already faced with high health care costs, many people with Medicare are forced to choose among basic needs, such as buying groceries or seeing the doctor for a persistent cough. How would Medicare benefit redesign proposals worsen this problem for seniors and people with disabilities?
5. How would a \$7,500 dollar spending cap play out for a beneficiary with an income of \$23,500 dollars or less?
6. Some Medicare “reform” proposals seek to incentivize beneficiaries to make better choices about the health care they receive by charging them more; in other words, some policymakers want more people to have more “skin in the game.” How much “skin in the game” do Medicare beneficiaries already have, and what is the likelihood that charging more in cost-sharing will lead to better decisions by beneficiaries about their health care?

The Honorable Ben Ray Lujan

1. The current Sustainable Growth Rate (SGR) Medicare payment system is unsustainable and needs to be fixed. In New Mexico, I continue to hear from providers and seniors about their frustration with SGR and the uncertainty that it creates. We cannot continue to patch this broken system, and we’ve been talking about a permanent fix for years. We need to deal with this now, and I support the bipartisan/bicameral SGR structural reform that was crafted last Congress that is supported by both provider and beneficiary groups.
 - a. In New Mexico there is a shortage of primary care physicians. Can you speak to how delivery system reform is connected to SGR repeal? How do you see the move away from fee for service impacting doctors’ participation in Medicare?
 - b. Given all we know about the impact of primary care on quality, patient satisfaction, and costs, what more do you believe we should do to promote and support our primary care physicians?